

"HAWAII ADMINISTRATIVE RULES

TITLE 11

DEPARTMENT OF HEALTH

CHAPTER 65

[WATER POLLUTION CONTROL]
ENVIRONMENTAL STATE REVOLVING [FUND] FUNDS

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SUBCHAPTER 1

GENERAL PROVISIONS

§11-65-01 Purpose. (a) These rules establish fees for loans and other financial assistance from the water pollution control revolving fund established by section [342D-54(c),] 342D-83, Hawaii Revised Statutes[, also known as the state revolving fund or SRF], also known as the clean water state revolving fund or CWSRF. The fees are intended to cover the costs of the activities specified in section [342D-54(c)(9)] 342D-86, HRS.

These rules also set penalty procedures in the case of default of loans and other financial assistance from the [SRF] CWSRF. Other requirements of the [SRF] CWSRF are contained in federal regulations and 33 United States Code sections 1381 to 1387.

(b) These rules also establish fees for loans and other financial assistance from the drinking water treatment revolving loan fund, also known as the drinking water state revolving fund or DWSRF, established and defined by sections 340E-1 and 340E-36, HRS. These fees are intended to cover the costs of the activities specified in section 340E-39, HRS. These rules also set penalty procedures in the case of default of loans and other financial assistance from the DWSRF. Other requirements of the DWSRF are contained in federal regulations and 42 United States Code section 300j-12.
[Eff 5/5/97; am and comp] (Auth: HRS §§340E-33(d), 342D-82(a)(4), 342D-86(b)) (Imp: HRS §§ 340E-31, 340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387, 42 U.S.C. §300j-12)

§11-65-02 Definitions. As used in this chapter:
"CWSRF" means the clean water state revolving fund.
This refers to the state's water pollution control revolving fund established in section 342D-83, HRS, which is a water pollution control revolving fund under 33 U.S.C. §§ 1381-1387.

"Director" means the director of health or the director's duly authorized agent.

"DWSRF" means the drinking water state revolving fund. This refers to the drinking water treatment revolving loan fund (drinking water fund) defined and established in sections 340E-1 and 340E-36, HRS, which is a drinking water treatment revolving loan fund (state loan fund) under 42 U.S.C. §300j-12.

"Recipient" means the recipient of [an SRF] a CWSRF or DWSRF loan or financial assistance.

["SRF" means the water pollution control revolving fund, also known as the state revolving fund].

[Eff 5/5/97; am and comp] (Auth: HRS §§340E-33(d), 342D-82(a)(4), 342D-86(b)) (Imp: HRS §§340E-31, 340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387, 42 U.S.C. §§ 300j-12)

SUBCHAPTER 2CLEAN WATER STATE REVOLVING FUND

§11-65-03 Fees for CWSRF loans. The director may charge loan fees for any [SRF] CWSRF loan. The loan fee shall not exceed an annual rate of one percent of the outstanding principal balance of the loan. The fee shall be computed based on, and shall be payable on, the same dates that corresponding repayments of the principal and interest on the loan are due. [Eff 5/5/97; am and comp] (Auth: HRS §§342D-82(a)(4), 342D-86(b)) (Imp: HRS §§342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387)

§11-65-04 (Reserved)

§11-65-05 [Administrative] CWSRF administrative account. All loan fees and fees for other financial assistance collected shall be deposited into a CWSRF loan fee administrative account. At the end of each fiscal year, any funds within the CWSRF loan fee administrative account in excess of \$1.5 million shall be transferred to the [SRF] CWSRF repayment accounts to be used for [SRF] CWSRF loans. [Eff 5/5/97; am and comp] (Auth: HRS §§342D-82(a)(4), 342D-86(b)) (Imp: HRS §§342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387)

§11-65-06 [Loan] CWSRF loan default. A loan default occurs when the recipient of [an SRF] a CWSRF loan fails to remit the loan repayments as established in [an SRF] a CWSRF loan agreement, or when a condition specified in [an SRF] a CWSRF loan agreement as a default is met. [Eff 5/5/97; am and comp] (Auth: HRS §§342D-82(a)(4), 342D-86(b)) (Imp: HRS §§342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387)

§11-65-07 (Reserved)

§11-65-08 Penalty and procedures for CWSRF loan

default. (a) Procedures for notice of loan default shall be included in the [SRF] CWSRF loan agreements.

(b) In the event of a loan default, the director is entitled to collect interest from the recipient on the amount of each overdue repayment at the effective rate of twelve per cent simple interest per year commencing on the first day following the repayment due date and ending on the date the director receives the check or warrant issued by the recipient. [Eff 5/5/97; am and comp] (Auth: HRS §§342D-82(a)(4), 342D-86(b)) (Imp: HRS §§342D-81, 342D-82, 342D-83, 342D-84, 342D-86, 33 U.S.C. §§ 1381-1387)

§11-65-09 (Reserved)

SUBCHAPTER 3

DRINKING WATER STATE REVOLVING FUND

§11-65-10 Fees for DWSRF loans. The director may charge loan fees for any DWSRF loan. The loan fee shall not exceed the outstanding principal balance of the loan multiplied by an annual rate of the weekly bond buyers twenty year general obligation index bond interest rate less a percentage rate of up to one per cent. In the event that the annual rate of the weekly bond buyers twenty year general obligation index bond interest rate less a percentage rate of up to one per cent falls below three and twenty-five one hundredths per cent (3.25%), the loan fee shall be three and twenty-five one hundredths percent (3.25%). The fee shall be computed based on, and shall be payable on, the same dates that corresponding repayments of the principal and interest on the loan are due. [Eff] (Auth: HRS §§340E-33(d)) (Imp: HRS §§340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 42 U.S.C. §§ 300j-12)

§11-65-11 DWSRF administrative account. All loan fees and fees for other financial assistance collected for DWSRF loans shall be deposited into a DWSRF loan fee administrative account. At the end of each fiscal year, any funds within the loan fee administrative account (less encumbrances) in excess of \$1.0 million shall be transferred to the DWSRF repayment accounts to be used for DWSRF loans. [Eff and comp] (Auth: HRS §§340E-33(d)) (Imp: HRS §§340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 42 U.S.C. §§ 300j-12)

§11-65-12 DWSRF loan default. A loan default occurs when the recipient of a DWSRF loan fails to remit the loan repayments as established in a DWSRF loan agreement, or when a condition specified in a DWSRF loan agreement as a default is met. [Eff and comp] (Auth: HRS §§340E-33(d)) (Imp: HRS §§340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 42 U.S.C. §§ 300j-12)

§11-65-13 Penalty and procedures for DWSRF loan default. (a) Procedures for notice of loan default shall be included in the DWSRF loan agreements.

(b) In the event of a loan default, the director is entitled to collect interest from the recipient on the amount of each overdue repayment at the effective rate of twelve per cent simple interest per year commencing on the first day following the repayment due date and ending on the date the director receives the check or warrant issued by the recipient." [Eff and comp] (Auth: HRS §§340E-33(d)) (Imp: HRS §§340E-32, 340E-33, 340E-35, 340E-36, 340E-39, 42 U.S.C. §§ 300j-12)

2. Material, except source notes, to be repealed is bracketed. New material is underscored.

3. Additions to update source notes to reflect these amendments and compilation are not underscored.

4. These amendments to and compilation of chapter 11-65, Hawaii Administrative rules shall take effect ten days after filing with the Office of the Lieutenant Governor.

I certify that the foregoing are copies of the rules, drafted in the Ramseyer format pursuant to the requirements of section 91-4.1, Hawaii Revised Statutes, which were adopted on _____ and filed with the Office of the Lieutenant Governor.

Bruce S. Anderson, Ph.D., M.P.H.

Director of Health

APPROVED AS TO FORM:

Deputy Attorney General